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#### GENERAL

1. USSR desires diplomatic relations before general settlement with Japan:

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During the first substantive meeting of the Soviet and Japanese representatives in London on 7 June, Soviet delegate Malik gave the impression that the USSR

would prefer to have normalization of relations precede negotiations on outstanding problems, according to a senior official of the Japanese embassy in London.

The official told an American embassy officer that Japanese delegate Matsumoto, without developing the Japanese position, proposed the following list of subjects for discussion: repatriation of Japanese subjects, the Habomai and Shikotan Islands, the Kurils, South Sakhalin, fishing rights, trade, and admission of Japan to the United Nations. Malik replied that discussion of some of the subjects would take a "long time," but others he thought were already solved. He asked for a postponement until 14 June of the next meeting of the negotiators, presumably to give him time to consult Moscow.

In answer to a question by Malik about the American attitude on the negotiations, Matsumoto said that his government would not deviate from existing commitments, but that the United States was in no position to interfere.

Comment: In order to achieve the normalization of relations with Japan, including a formal ending of the war and an exchange of diplomatic representatives, Moscow might make minor gestures such as returning Japanese prisoners of war or agreeing to negotiate concerning Japanese fishing rights. It probably will retain the former Japanese territories as a lever for influencing Japan's future international orientation.

Tokyo probably will hold out for at least a partial settlement on some of the issues before agreeing to normalize relations, despite the Hatoyama government's commitment to promote closer ties with the Sino-Soviet bloc.

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### SOUTHEAST ASIA

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3,

areas of Viet Minh strength in the south:

Viet Minh influence south of the 17th parallel is predominantly in two main belts, one in the western part of central Annam and the other in the southern mountainous inching. There are also relatively small

strip extending into Cochinchina. There are also relatively small areas of influence in Cochinchina near the Cambodian border, north of Saigon, and in coastal areas to the south and west of the city (see map, p. 6).

In addition, the Viet Minh has established clandestine political or paramilitary networks in areas extending southward from the demarcation line, near Qui Nhon, and near the Cochinchina border. There are also efforts in the villages to sponsor youth movements, create basic cells among peasants, and intensify propaganda calling for the re-establishment of north-south relations.

Comment: Viet Minh strength south of the demarcation line has been estimated at 7,000 to 10,000 not including Viet Minh sympathizers. It is concentrated in largely underpopulated areas which are relatively inaccessible to national government authority. The groundwork has thus been laid for the establishment of relatively secure base areas from which the Viet Minh can extend its influence to more important areas in the absence of effective security measures on the part of the national government.

#### EASTERN EUROPE

4. Greeks see Yugoslav enthusiasm for Balkan pact undiminished by

25X1 Soviet visit:

Greek foreign minister Stephanopoulos told the North Atlantic Council meeting in Paris on 8 June he was confident that

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the Soviet leaders' visit to Yugoslavia did not change Belgrade's attitude toward the Balkan pact.

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Greek general staff chief Dovas, who returned on AJune from a 12-day tour of Yugoslav military commands, told American officials in Athens that his party had been warmly received throughout Yugoslavia and that his Yugoslav hosts, including the army chief of staff, gave an impression of complete forthrightness. Dovas indicated that the Yugoslavs stressed close Yugoslav-Greek co-operation within the framework of the Balkan alliance.

Yugoslavia's intention to continue co-operation with Greece and Turkey appears to have been reinforced. According to Ambassador Perkins' report, the Turkish North Atlantic Council representative supported the Greek analysis of Belgrade's position. Ankara may therefore now become less suspicious and relax its pressure on Yugoslavia for a formal linking of NATO and the Balkan alliance.

# 5. Comment on increased Soviet interest in Balkan affairs:

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Soviet propaganda treatment of the Belgrade communiqué reinforces other indications that rapidly developing Soviet diplomatic initiatives prior to Big Four talks may include new proposals involving the Balkan nations. Since the Soviet leaders' brief visits to Sofia and Bucha-

rest, Soviet propaganda has emphasized the "important consequences" for southeastern Europe of the recent talks between Soviet and Yugoslav leaders.

As part of Soviet preparation for new European security proposals, Moscow may be devising proposals to be made directly to Athens and Ankara, possibly for the creation of an enlarged Balkan bloc independent of East and West. Greece and Turkey would not accept such a plan, since it would require withdrawal from NATO.

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During the talks with the Yugoslavs, Soviet leaders asked whether Bulgaria might join the Balkan alliance. Khrushchev told the Greek ambassador to Yugoslavia that the success of the Belgrade talks was leading to closer relations with Greece. The Soviet ambassador in Turkey expressed an interest on 28 April in improved relations, and the volume of Soviet propaganda material directed to Turkey has increased fourfold during the last month.

6.	Yugoslav non-Communists	reportedly	fear	closer	Yugoslav-Sov	iet
	ideological ties:		7			

Yugoslav circles opposing the Tito regime are stunned by the failure of the Western press to real-

ize that Article 30 of the Soviet-Yugoslav communiqué provides for the same co-operation as that for which the Cominform was created. This article states that "the two governments have agreed to assist and facilitate co-operation among the social organizations of the two countries through the establishing of contacts, the exchange of socialist experience, and a free exchange of opinions."

These circles also reportedly feel the common ideology of the Soviet and Yugoslav Communist parties is such that Yugoslavia will increasingly serve not only its own interests, but those of the USSR in the ideological field, including efforts to undermine the capitalist governments.

Comment: This interpretation of the wording of the joint communiqué is overdrawn. The resolution establishing the Cominform defined its task as organizing and exchanging the experiences of Communist parties, and co-ordinating their activities. Nevertheless, Yugoslav officials do not deny that the paragraph quoted might cover the possibility of future ties with the Soviet party. The Belgrade press, however, emphasized on 7 June that nothing has changed in Yugoslavia's "socialist orientation."

Borba points out that Yugoslavia has cooperated with socialist movements and forces irrespective of

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ideological and political differences and that it would be contrary to previous practice if Belgrade did not exchange socialist experiences with the USSR as well. The Tito regime has made special efforts to foster relations with Scandinavian and Asiatic socialists.

## 7. Polish officials pleased with Belgrade pronouncement:

According to American ambassador

pillon in Paris, the French ambassador
in Warsaw reported that when he asked
Polish foreign minister Skrzeszewski's
opinion of the Belgrade communiqué he
replied immediately and unequivocally
that the paragraph stating that 'the different forms of the development of

socialism are the exclusive business of the peoples of the respective countries" was of utmost importance to Poland.

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Comment: Because of the strength of Polish nationalism, the Belgrade communique may have made a profound impression on Polish Communists. This concept of the independent development of Communism in Poland was the cause for the purge in 1948 of Wladyslaw Gomulka, the Polish nationalist Communist.

The Soviet Union's public reconciliation with Tito and recognition of the Yugoslav "form of development of socialism" will probably stimulate nationalist sentiments both among the Satellite populations and within the Communist parties and may hamper further the so far unsuccessful efforts of the Satellite regimes to gain mass support for their policies.

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